

RECEIVED
AUG 30 2007
AAHC #4

Delwood II Neighborhood Association

August 29, 2007

Austin Housing Finance Corporation
Board of Directors
P O Box 1088
Austin Texas 78767-8865

Re Austin Housing Finance Corporation Meeting, August 30, 2007
Agenda Item #4 – Issuance of bonds to the San Antonio Alternative Housing Corporation to acquire, rehabilitate and operate the Runnymede Apartments

Dear Board of Directors

The Delwood II Neighborhood Association (DWINA) strongly supports efforts by the Austin Housing Finance Corporation and other organizations to provide safe and well-maintained affordable housing in Austin, including in our neighborhood, for low-income individuals. However, DWINA is neutral on the issuance of additional bonds to the San Antonio Alternative Housing Corporation (SAAHC) to acquire, rehabilitate and operate the Runnymede Apartments in north Austin because of our past negative experience with the Princeton Apartments, which is located in DWII and is owned and operated by SAAHC.

Over the last several years, the Princeton Apartments unfortunately has become a liability to DWII. Our neighborhood and the Princeton have seen a significant increase in crime, including robberies (automobiles and homes), drug dealing, prostitution, panhandling and assaults. Other major issues include the deterioration of physical condition of both the interior and exterior of the Princeton and trash overflowing from the Princeton dumpsters onto Fernwood Road and in neighbors' yards.

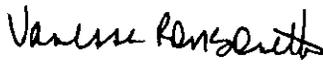
We are pleased to report that in the last month we have worked extensively with SAAHC and City of Austin Neighborhood Housing and Community Development (NHCD) staff to develop a plan to improve conditions at the Princeton. Attached is an MOU signed by SAAHC and DWINA and a letter from NHCD with specific commitments to that effect. Over the last several weeks, SAAHC has taken immediate actions to address trash and the physical condition of the Princeton for which we are grateful. DWII wants the Princeton Apartments to succeed and we are willing to work with SAAHC and NHCD toward that goal.

However, to prevent this situation from happening again at the Princeton or any other Multifamily Housing Revenue Bond project, we strongly encourage AHFC and NHCD to

- Develop and implement a vigorous monitoring program for these projects with specific health and safety benchmarks
- Build in an enforceable accountability mechanism in the event property owners do not follow through on their commitments
- Early in the bonding process, solicit input from neighborhoods where potential projects are located
- Allow neighborhoods the opportunity to enter into an MOU with prospective property owners before bonds are issued so that all parties are clear about what the expectations and commitments are

Thank you for your consideration and your efforts to provide affordable housing in Austin. For more information, please contact Jayne Nussbaum, DWIINA Princeton Committee Chair at (512)825-7924,

Sincerely,


Vanessa Ronsonette
Co-President Delwood II NA


Ken Ronsonette
Co-President Delwood II NA

Attachments

Cc Community Development Commission
Wilshire Woods – Delwood I Neighborhood Association
North Austin Civic Association

**MEMORANDUM OF UNDERSTANDING
BETWEEN
SAN ANTONIO ALTERNATIVE HOUSING CORPORATION NO. 4
AND DELWOOD II NEIGHBORHOOD ASSOCIATION**

PURPOSE

The purpose of this Memorandum of Understanding, hereinafter known as the MOU, is to identify the duties and responsibilities of **SAN ANTONIO ALTERNATIVE HOUSING CORPORATION NO. 4**, a Texas non-profit corporation ("SAAHC No. 4") and **DELWOOD II NEIGHBORHOOD ASSOCIATION INC.**, a Texas non-profit corporation ("DWII"), related to the operation and maintenance of The Princeton Apartments located at 4411 Airport Blvd, Austin, Travis County, Texas (the "Project") owned by SAAHC No 4 and the surrounding neighborhood (the "Neighborhood") The intent of this MOU is to ensure the Project is maintained in good order and condition and DWII and SAAHC No 4 establish realistic expectations concerning the operation and maintenance of the Project Its purpose is to form a working partnership with between DWII and SAAHC No 4 in order to maintain the Project in a safe, secure and clean manner This MOU clarifies the work to be done to the Project by SAAHC No 4 and the obligations of SAAHC No 4 and DWII with respect to the Project and the Neighborhood

I ROLES AND RESPONSIBILITIES

A list of general roles and responsibilities follows

SAACH will strive to undertake and/or complete the following as soon as practicable or by the specific date set forth below

A. Property Management, Communication and Social Services

- 1 A representative of SAAHC No 4 will visit the property monthly at a minimum for the rest of 2007 and quarterly in 2008 to assess the property, including the physical interior and exterior condition, trash collection, safety, level of crime activity (both in the community and at the Project) and general overall condition of the property / Starting August 2007,
- 2 Representatives of SAAHC No 4, the City of Austin and the management company representative will attend the monthly DWII meetings during 2007 and periodically thereafter / Starting August 26, 2007,
- 3 Conduct resident interviews to determine the issues, needs and concerns of the current tenants of the Princeton Apartments / Complete by August 30, 2007,
- 4 Conduct a meeting with residents to discuss issues, needs and concerns identified during the resident interviews / Complete by September 30, 2007,
- 5 Assist property residents in the establishment of a Resident Advisory Council (RAC) to meet monthly in 2007 and quarterly in 2008 The general outline of the RAC meetings will be as follows (1) operation of the Project, (2) special needs of residents, (3) suggestions for improving the living environment, (4) management of Project, (5) security and (6) other concerns of the residents Representatives of SAAHC No 4, DWII and the management company will be invited to attend and observe the RAC meetings / Starting October, 2007,
- 6 Based on residents' input and requests for assistance, work with civic organizations to establish a social services program directory for Project residents (describing programs such as after school activities, adult education, financial literacy, savings accounts for home ownership, etc) and to facilitate health fairs at the Project at least twice per calendar year A social worker will be

- 2 Explore opportunities to volunteer in assisting residents as part of social services or programs through the COA and other organizations / Starting January 2008,
- 3 Conduct monthly meetings and communicate with SAAHC No 4, the COA and the property management company / Start immediately,
- 4 Communicate minor and major areas of concern directly with the SAAHC No 4's Asset Compliance Director, who is John Shaver and can be contacted at (210) 224-2349 / Immediately, and
- 5 SAAHC No 4 will post notice of DWII monthly meetings and shall distribute DWII Newsletters to all residents at the Project to encourage attendance at the DWII monthly meetings

II. TERM

This MOU is in effect for twelve (12) months from the date of execution and will renew automatically at the end of this period Thirty (30) days prior to the end of the term of this MOU representatives from SAAHC No 4, DWII and the City of Austin will meet to discuss any modifications to this MOU for the succeeding 12 months This MOU will be in effect as long as SAAHC No 4 owns the Project

III. COMPLIANCE

The parties shall make every effort to resolve dispute arising out of or relating to this MOU through discussion and negotiation Should discussion and negotiation fail to resolve a dispute under this MOU, the parties shall select a dispute resolution team to resolve the dispute The team shall consist of a representative appointed by SAAHC No 4, a representative appointed by DWII, and a third representative designated by the City of Austin Neighborhood Housing and Community Development Department The team shall attempt to resolve the dispute by majority vote If the dispute cannot be resolved in this fashion, either party may request assistance from the City Council of the City of Austin

IV. COMMUNICATION

The following individuals will serve as the points of contact for communication regarding this MOU

For SAAHC No 4	-	John Shaver (JS), Rod Radle (RR)
For DWII	-	Jayne Nussbaum (JN)
For City of Austin	-	Kelly Weiss (KW)

Process for communication will be as follows

- (1) DWII residents will share their concerns with JN, JN will convey concerns to the JS, with copy to KW
- (2) If item is not addressed within five (5) business days by JS then JN will report to KW copy to RR
- (3) If the item is not resolved to the reasonable satisfaction of the parties, then a meeting will be held as outlined in the Article III, above

V. PROGRESS UPDATES

SAAHC No 4 will provide progress updates for the remaining months of 2007 at each DWII meeting, indicating what items have been accomplished per this MOU since the last meeting

present at the Project for approximately two (2) hours each month to assist residents and will also be available on an emergency basis for telephone consultations / Implement January 1, 2008,

B. Health and Safety; Maintenance and Repairs

- 7 Conduct inspections of all units at the Project and make identified repairs with input from the Austin Building Inspection Department so that all units substantially meet HUD Housing Quality Standards and City of Austin Building Standards applicable to apartment complexes of a similar age to the Project / Started August 2007 and estimated completion November 15, 2007,
- 8 Conduct quarterly inspections of all the Project to ensure the Project's compliance with all applicable health and safety laws / Starting October 1, 2007,
- 9 Replace mansard roofs with fiber cement siding and paint, paint all metal railings, repair or replace all gutters and downspouts / Complete by September 30, 2007 (pending weather),
- 10 Assess condition of back parking lot (along Fernwood Road), location of trash dumpsters and landscaping needs in immediate vicinity of such parking lot and take correction action as feasible / Complete by October 31, 2007,
- 11 Secure trash disposal services that provide receptacles large enough to handle bulky trash items / Complete by October 31, 2007,
- 12 Daily pick up of onsite trash on grounds and around trash dumpsters and along Fernwood Road / Ongoing,
- 13 Maintain trash dumpster pick up twice a week or more frequently as may be reasonably necessary to maintain the Project (i.e. to keep trash from overflowing the dumpsters) / Starting October 1, 2007,
- 14 Investigate, and to the extent reasonably feasible implement, a recycling program for the Project / Complete by October 31, 2007,
- 15 Establish a set monthly trash pick-up day bulky trash items near the end of the month (e.g., sofas, mattresses, large appliances) / Starting October 1, 2007,
- 16 Request Austin Energy perform an energy assessment of the Project and implement recommended changes to the extent same are financially viable / Complete by October 31, 2007,

C. Security

- 17 Provide on-site security staff for eight-hour shifts at random times until 11/15/07, in consultation with DWII and the Austin Police Department (APD), and pending resources of SAAHC No. 4, reinstitute on-site security from time-to-time thereafter as reasonably necessary / Ongoing,
- 18 Monitor the management company's enforcement of tenants' responsibilities under applicable residential lease agreements / Ongoing
- 19 Walk the property with the Austin Police Department (APD) safety officer to evaluate the exterior lighting for safety and to deter crime and to specify what areas need better lighting, install additional exterior lighting to the extent feasible / Complete by October 15, 2007, and
- 20 Meet with an APD safety officer, a DWII representative and a RAC member and on a monthly basis during 2007 following the DWII monthly meeting. Future meetings may be held from time to time by the four participants as said participants may determine, but no less frequently than semi-annually, to get feedback on nuisance and criminal activities associated with the Project and the neighborhood / Starting November 1, 2007

DWII will strive to undertake and/or complete the following as soon as practicable or by the specific date set forth below:

- 1 Educate DWII homeowners, landlords and tenants through DWII Decoder monthly newsletter and monthly meetings that Princeton dumpsters are for Project residents use only / Immediate and ongoing,

DWII and SAAHC No 4 agree to provide to the City of Austin a status report on the progress of improving the Project conditions, Project management, and social service plans at the Project within 45 days of the date of execution of this MOU. The City of Austin will assist DWII and SAAHC No 4 with the preparation of this report. The City of Austin will provide a status report to the Community Development Commission within 60 days of the date of execution of this MOU and a status report to the Austin City Council within 90 days of the date of execution of this MOU.

**SAN ANTONIO ALTERNATIVE
HOUSING CORPORATION NO. 4**

By Rod Radle
Rod Radle, Executive Director

8/27/07
Date

**DELWOOD II NEIGHBORHOOD
ASSOCIATION, INC.**

By Vanessa Ronsonette
Vanessa Ronsonette, Co-President

8/29/07
Date

By Ken Ronsonette
Ken Ronsonette, Co-President

8/28/07
Date



City of Austin

P.O. Box 1088 Austin TX 78767
www.cityofaustin.org/housing

Neighborhood Housing and Community Development

Paul Hilgers, Director

(512) 974 3108 Fax (512) 974 1063 paul.hilgers@ci.austin.tx.us

Date August 24, 2007
To Delwood II Neighborhood Association
San Antonio Alternative Housing Corporation
From Paul Hilgers Community Development Officer
Subject Princeton Apartments

The City of Austin met with representatives of the Delwood II Neighborhood Association (DIINA) and San Antonio Alternative Housing Corporation (SAAHC) on August 23, 2007 to review the terms of a Memorandum of Understanding (MOU) between DIINA and SAAHC.

As Director of NHCD, I will make every effort to complete the following items. *(Please note that dates and timeframes may change pending agreements from other City Departments.)*

Neighborhood Housing & Community Development (NHCD)

NHCD agrees to attend monthly DIINA meetings during 2007 and quarterly in 2008.

NHCD agrees to attend Resident Advisory Council (RAC) meetings during 2007 and periodically thereafter in 2008.

NHCD agrees to research social service options at Princeton and to report back to DIINA and SAAHC with a list of potential resources by October 30, 2007. SAAHC is completing a survey of resident needs at Princeton that will be complete by September 30, 2007. The City will then use the results to identify potential resources.

NHCD agrees to assist with finding locations for meetings and events (health fairs, etc), as requested by DIINA and SAAHC starting immediately.

NHCD agrees to meet with DIINA and SAAHC a minimum of 30 days in advance of the expiration of the MOU to discuss modification of terms for the upcoming 12-month period

NHCD agrees to develop a monitoring plan for all AHFC Multi-Family Bond developments by October 15, 2007

NHCD agrees to provide a minimum of 24 hours notice to SAAHC prior to a monitoring site visit

NHCD agrees to confirm with the Housing Authority of the City of Austin that annual HQS Inspections will be required for all Section 8 residents

NHCD will serve as SPOC to DIINA on all issues brought to the attention of SAAHC, if SAAHC does not resolve the issue or does not develop a plan to address the issue within 72 hours of notification by DIINA

NHCD will coordinate with DIINA and SAAHC to provide a report on the status and progress of improving property conditions, property management, and social service plans to the Community Development Commission at the CDC meeting in November 2007 and will provide a written report to City Council by December 31, 2007

NHCD agrees to provide SAAHC with Austin Tenant's Council (ATC) information for Princeton residents

Solid Waste Services (SWS)

SWS will provide information to Princeton residents on recycling and garbage collection practices

SWS agrees to conduct a courtesy inspection of all units at Princeton so that all units meet applicable Austin Building Code requirements with an estimated completion date of November 15, 2007. NOTE: The U.S. Department of Housing and Urban Development has stated that local housing or sanitation code inspections may be substituted for Housing Quality Standards (HQS) inspections

SWS agrees to report back to DIINA at their November 2007 meeting

SWS agrees to provide information on recycling programs to SAAHC and Princeton residents by October 1, 2007

SWS agrees to provide SAAHC garbage needs assessment tool for multi-family rental properties, if available, by October 1, 2007

Health & Human Services Department (HHSD)

HHSD agrees to participate in health fairs at Princeton at least twice per calendar year starting January 1, 2008

Austin Energy

Austin Energy agrees to perform an energy assessment at Princeton by October 1, 2007

Austin Police Department (APD)

APD agrees to provide a safety officer to walk the property with SAAHC to evaluate the exterior lighting for safety and to deter crime and to specify what areas need better lighting by October 1, 2007

APD agrees to provide information to DIINA and Princeton residents on crime watch programs by October 31, 2007

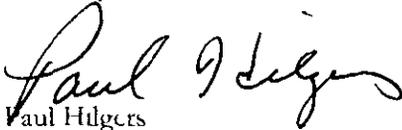
APD agrees to attend monthly meetings with DIINA and Princeton residents to get feedback on nuisance and criminal activities associated with the Princeton Apartments and the surrounding area, during 2007 and periodically thereafter by mutual agreement of DIINA and SAAHC

Dispute Resolution

The City of Austin agrees to participate in a dispute resolution team with DIINA and SAAHC, should discussion and negotiation fail to resolve disputes between the parties

The City of Austin is committed to providing safe, decent, affordable rental housing for residents at the Princeton Apartments and to work with the Delwood II Neighborhood Association and San Antonio Alternative Housing Corporation to facilitate an action plan to resolve the issues

Sincerely,


Paul Hilgers

CC Margaret Shaw, NHCD
Kelly Weiss, AHIC
Martin Gonzalez, AHFC
David Carter, APD
Sheldon Salisbury, APD
Willie Rhodes, SWS

Robert Alvarado, SWS
David Furtie, HHSD
Martin Harris, HHSD
Juan Garza, Austin Energy
Mary McLeod, Austin Energy

Wilshire Wood/Delwood I Neighborhood Association

August 29, 2007

Austin Housing Finance Corporation
Board of Directors
P O Box 1088
Austin, Texas 78767-8865

RE Austin Housing Finance Corporation Meeting, August 30, 2007, Agenda Item #4 -
Issuance of Bonds to the San Antonio Alternative Housing Corporation

Dear Board Members

Like you, the neighbors of Wilshire Wood/Delwood I (WWDI) recognize that increasing affordable housing opportunities in Austin—particularly in our area, the city core—is critical. For this reason we are troubled to have to take a neutral position on the issuance of Multifamily Housing Revenue Bonds to the San Antonio Alternative Housing Corporation (SAAHC) for the purchase of the Runnymede Apartments Project.

WWDI is adjacent to an Austin Housing Finance Corporation bond-funded development owned by SAAHC—the Princeton Apartments (4411 Airport Boulevard). To date, the oversight of this project by both the owners and by the City of Austin has been wholly inadequate. Uncollected trash, neglected basic maintenance, drug dealing and prostitution plague the complex, and an uptick in property crime in adjacent neighborhoods has been directly connected to Princeton residents and their guests.

Years of complaints to the management and owner have gone unaddressed until just this month, and then only at the behest of the Austin Housing Finance Corporation staff and with the incentive of a pending bond issuance.

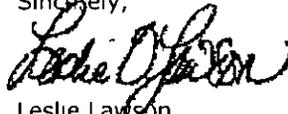
To their credit, the SAAHC this week has entered into a neighborhood-initiated 12-month Memorandum of Understanding (MOU) with the immediately-adjacent Delwood II Neighborhood Association with the goal of remedying the trash, maintenance and crime problems. We remain cautiously optimistic that this MOU will result in improved and continually-maintained conditions for both residents of the complex and surrounding neighbors in Delwood II and WWDI.

As the result of our experience with the Princeton Apartments, the Wilshire Wood/Delwood I Neighborhood respectfully requests that the City of Austin

- **develop a clear and stringent monitoring plan with measurable cleanliness, maintenance, security, and neighborhood compatibility benchmarks for all Multifamily Housing Revenue Bond projects**
- **commit to follow-through to ensure compliance and**
- **develop and enforce clearly-delineated penalties to the borrower for non-compliance**

Thank you for your consideration and for your work to increase the amount of safe, well-maintained, community-integrated affordable housing in Austin.

Sincerely,



Leslie Lawson
President

Cc: Community Development Commission
Delwood II Neighborhood Association

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leslielawson@io.com